Focusing on “High Utilizers”– Understanding The New Trend

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ROADMAP

The Terms

Why does this matter? Examples in housing

Healthcare spending data

What is Maine doing?
The Pareto Principle Also Known as “The 80-20 Rule”

High Utilizer or Super-Utilizer

Hot spotting

Power Law
High Utilizer or Super Utilizer

Each of these are live links: Medicaid.gov/CIB-07-2

The Center for Medicaid in July 2013 defined the term as follows:

“Super-utilizers” is the term used to refer to patients who accumulate large numbers of emergency department visits and hospital admissions which might have been prevented by relatively inexpensive early interventions and primary care.”
The Pareto Principle
Also Known as “The 80-20 Rule”

The term **Pareto principle** was coined in 1906.

“**vital few and trivial many**”

For many events, Vilfredo Pareto noted roughly

**80% of the effects come from 20% of the causes.**

- 80% of the land in Italy was owned by 20% of the population
- 20% of the pea pods in contained 80% of the peas.
- Edward Juran around the same time noted, 20% of the different types of manufacturing defects cause 80% of the malfunctions of equipment
The Power Law is similar but not tied specifically to the 80 – 20 relationship. When one quantity varies as a power of another, it would be graphed exponentially, not like a line (linear relationship).

Imagine that this graph shows how much pollution that cars numbered 1, 2, 3, 4 & 5 emit?

With the power law, car #1 had emissions of 250, and the second worst car is under 100. If the data were linear, the first car shows emissions of 100 and the second worst car at 90.
Hot-spotting has come to mean using data to find geographically or otherwise where there are concentrations of high cost utilizers.

**Brenner MaineCare Report**
And Atul Gwande's
"The Hot Spotters" New Yorker May 2011
Why does this matter?
Example: Housing First

Million Dollar Murray

Malcom Gladwell, Malcolm, New Yorker, 2/13/2006,

Million Dollar Murray

A homeless man in Nevada who was costing taxpayers a million dollars for his services.

Housing First is an alternative.
Example: Housing First in Portland, ME

Preble St Cost Analysis of Logan Place

Logan Place

Housing First Initiatives in Portland, ME

Completed jointly by Avesta Housing & Preble Street Resource Center

Florence House

A cost analysis for Logan Place found that:

- Police calls, emergency room visits, medical transports, and jail stays dropped
- One person went from 42 police calls in 7 months before being housed to 1 police call in 6 months after.
Nationally,

- **1% of the population account for 22% of total health care expenditures annually.**

- **5% of Medicaid beneficiaries account for 54% of total Medicaid expenditures.**

In Maine, three MaineCare studies of claims showed:

- The **top 5% of the members account for 55% of the total claims.**

- **5% of youth ages 0-20 accounted for 59% of the youth costs.**

- **1% of patients in hospitals accounted for 32% of all hospital costs.**
Maine Initiatives for "High Utilizers"

The Camden Coalition Model as demonstrated in The MaineCare Care Management Collaborative

Dr. Brenner suggests select some individuals who can benefit from a care manager who can help them access appropriate, more cost-effective care in an integrated manner. [Brenner on Care Coordination]

Also, Maine is one of 16 pilot sites founded by Robert Wood Johnson Foundation, "Aligning Forces for Quality" participating a major testing the Camden Coalition model.

[Robert Wood Johnson Aligning Forces for Quality Maine Facebook Page]
1. Care coordination reduces costs.

2. Hot spotting can improve the health of certain populations by showing where and how to apply tested public health approaches to quality improvement.

3. Addressing high-utilizer patients’ social needs is as important as addressing their medical needs. Most patients require assistance to appropriately use community services.

4. Payment systems are part of the issue. Incentivizing care coordination would help.